STATEMENT OF FINANCIAL POSITION

AS OF: March 31, 2006

ASSETS

SSE	18	
	CURRENT ASSETS	
101	Cash (Disclose on Schedule A)	\$48,690,119
102	Current Investments	-
103	Accounts Receivable (net) (Disclose on Schedule A)	\$8,544,386
104	Notes Receivable (current portion)	-
	Prepaid Expenses	3,155,202
	Other Current Assets (Disclose on Schedule A)	\$2,190,479
	Total Current Assets	\$62,580,186
		* ,,
	NON-CURRENT ASSETS	
108	Land	_
	Building	_
	Leasehold Improvements	4,325,474
	Furniture and Equipment	15,286,884
	Vehicles	13,200,004
	· · · · · · · · · · · · · · · · · · ·	\$10,612,250
	Total Property and Equipment	\$19,612,359
	Less: Accumulated Depreciation	8,911,403
	Net Property and Equipment	\$10,700,956
	Notes Receivable (net of current portion)	-
	Performance Bond (Disclose on Schedule A)	-
	Long Term Investments	-
	Deposits	480,214
	Other Noncurrent Assets (Disclose on Schedule A)	\$605,554
121	Total Noncurrent Assets	\$11,786,724
122	TOTAL ASSETS	\$74,366,910
IABII	LITIES AND NET ASSETS/EQUITY	
IABII		
	CURRENT LIABILITIES	\$8,431,271
201	<u>CURRENT LIABILITIES</u> Incurred But Not Reported Claims (Disclose on Sch. A)	\$8,431,271 925,710
201 202	<u>CURRENT LIABILITIES</u> Incurred But Not Reported Claims (Disclose on Sch. A) Reported But Unpaid Claims	925,710
201 202 203	CURRENT LIABILITIES Incurred But Not Reported Claims (Disclose on Sch. A) Reported But Unpaid Claims Payable to ADHS (Disclose on Schedule A)	925,710 \$135,420
201 202 203 204	CURRENT LIABILITIES Incurred But Not Reported Claims (Disclose on Sch. A) Reported But Unpaid Claims Payable to ADHS (Disclose on Schedule A) Other Amounts Payable to Providers	925,710 \$135,420 7,664,826
201 202 203 204 205	CURRENT LIABILITIES Incurred But Not Reported Claims (Disclose on Sch. A) Reported But Unpaid Claims Payable to ADHS (Disclose on Schedule A) Other Amounts Payable to Providers Trade Accounts Payable	925,710 \$135,420 7,664,826 2,817,345
201 202 203 204 205 206	CURRENT LIABILITIES Incurred But Not Reported Claims (Disclose on Sch. A) Reported But Unpaid Claims Payable to ADHS (Disclose on Schedule A) Other Amounts Payable to Providers Trade Accounts Payable Accrued Salaries and Benefits	925,710 \$135,420 7,664,826
201 202 203 204 205 206 207	CURRENT LIABILITIES Incurred But Not Reported Claims (Disclose on Sch. A) Reported But Unpaid Claims Payable to ADHS (Disclose on Schedule A) Other Amounts Payable to Providers Trade Accounts Payable Accrued Salaries and Benefits Long-term Debt (current portion)	925,710 \$135,420 7,664,826 2,817,345 6,660,827
201 202 203 204 205 206 207 208	CURRENT LIABILITIES Incurred But Not Reported Claims (Disclose on Sch. A) Reported But Unpaid Claims Payable to ADHS (Disclose on Schedule A) Other Amounts Payable to Providers Trade Accounts Payable Accrued Salaries and Benefits Long-term Debt (current portion) Deferred Revenue (Disclose on Schedule A)	925,710 \$135,420 7,664,826 2,817,345
201 202 203 204 205 206 207 208 209	CURRENT LIABILITIES Incurred But Not Reported Claims (Disclose on Sch. A) Reported But Unpaid Claims Payable to ADHS (Disclose on Schedule A) Other Amounts Payable to Providers Trade Accounts Payable Accrued Salaries and Benefits Long-term Debt (current portion) Deferred Revenue (Disclose on Schedule A) Risk Pool Payable	925,710 \$135,420 7,664,826 2,817,345 6,660,827 - \$304,887
201 202 203 204 205 206 207 208 209 210	CURRENT LIABILITIES Incurred But Not Reported Claims (Disclose on Sch. A) Reported But Unpaid Claims Payable to ADHS (Disclose on Schedule A) Other Amounts Payable to Providers Trade Accounts Payable Accrued Salaries and Benefits Long-term Debt (current portion) Deferred Revenue (Disclose on Schedule A) Risk Pool Payable Other Current Liabilities (Disclose on Schedule A)	925,710 \$135,420 7,664,826 2,817,345 6,660,827 - \$304,887 - \$5,186,129
201 202 203 204 205 206 207 208 209 210	CURRENT LIABILITIES Incurred But Not Reported Claims (Disclose on Sch. A) Reported But Unpaid Claims Payable to ADHS (Disclose on Schedule A) Other Amounts Payable to Providers Trade Accounts Payable Accrued Salaries and Benefits Long-term Debt (current portion) Deferred Revenue (Disclose on Schedule A) Risk Pool Payable	925,710 \$135,420 7,664,826 2,817,345 6,660,827 - \$304,887
201 202 203 204 205 206 207 208 209 210	CURRENT LIABILITIES Incurred But Not Reported Claims (Disclose on Sch. A) Reported But Unpaid Claims Payable to ADHS (Disclose on Schedule A) Other Amounts Payable to Providers Trade Accounts Payable Accrued Salaries and Benefits Long-term Debt (current portion) Deferred Revenue (Disclose on Schedule A) Risk Pool Payable Other Current Liabilities (Disclose on Schedule A) Total Current Liabilities	925,710 \$135,420 7,664,826 2,817,345 6,660,827 - \$304,887 - \$5,186,129
201 202 203 204 205 206 207 208 209 210 211	CURRENT LIABILITIES Incurred But Not Reported Claims (Disclose on Sch. A) Reported But Unpaid Claims Payable to ADHS (Disclose on Schedule A) Other Amounts Payable to Providers Trade Accounts Payable Accrued Salaries and Benefits Long-term Debt (current portion) Deferred Revenue (Disclose on Schedule A) Risk Pool Payable Other Current Liabilities (Disclose on Schedule A) Total Current Liabilities	925,710 \$135,420 7,664,826 2,817,345 6,660,827 - \$304,887 - \$5,186,129
201 202 203 204 205 206 207 208 209 210 211	CURRENT LIABILITIES Incurred But Not Reported Claims (Disclose on Sch. A) Reported But Unpaid Claims Payable to ADHS (Disclose on Schedule A) Other Amounts Payable to Providers Trade Accounts Payable Accrued Salaries and Benefits Long-term Debt (current portion) Deferred Revenue (Disclose on Schedule A) Risk Pool Payable Other Current Liabilities (Disclose on Schedule A) Total Current Liabilities NON-CURRENT LIABILITIES Long-term debt (net of current portion)	925,710 \$135,420 7,664,826 2,817,345 6,660,827 - \$304,887 - \$5,186,129 \$32,126,416
201 202 203 204 205 206 207 208 209 210 211	CURRENT LIABILITIES Incurred But Not Reported Claims (Disclose on Sch. A) Reported But Unpaid Claims Payable to ADHS (Disclose on Schedule A) Other Amounts Payable to Providers Trade Accounts Payable Accrued Salaries and Benefits Long-term Debt (current portion) Deferred Revenue (Disclose on Schedule A) Risk Pool Payable Other Current Liabilities (Disclose on Schedule A) Total Current Liabilities NON-CURRENT LIABILITIES Long-term debt (net of current portion) Loss Contingencies (Disclosed on Schedule A)	925,710 \$135,420 7,664,826 2,817,345 6,660,827 - \$304,887 - \$5,186,129 \$32,126,416
201 202 203 204 205 206 207 208 209 210 211	CURRENT LIABILITIES Incurred But Not Reported Claims (Disclose on Sch. A) Reported But Unpaid Claims Payable to ADHS (Disclose on Schedule A) Other Amounts Payable to Providers Trade Accounts Payable Accrued Salaries and Benefits Long-term Debt (current portion) Deferred Revenue (Disclose on Schedule A) Risk Pool Payable Other Current Liabilities (Disclose on Schedule A) Total Current Liabilities NON-CURRENT LIABILITIES Long-term debt (net of current portion) Loss Contingencies (Disclosed on Schedule A) Other Noncurrent Liabilities (Disclose on Schedule A)	925,710 \$135,420 7,664,826 2,817,345 6,660,827 - \$304,887 - \$5,186,129 \$32,126,416
201 202 203 204 205 206 207 208 209 210 211	CURRENT LIABILITIES Incurred But Not Reported Claims (Disclose on Sch. A) Reported But Unpaid Claims Payable to ADHS (Disclose on Schedule A) Other Amounts Payable to Providers Trade Accounts Payable Accrued Salaries and Benefits Long-term Debt (current portion) Deferred Revenue (Disclose on Schedule A) Risk Pool Payable Other Current Liabilities (Disclose on Schedule A) Total Current Liabilities NON-CURRENT LIABILITIES Long-term debt (net of current portion) Loss Contingencies (Disclosed on Schedule A)	925,710 \$135,420 7,664,826 2,817,345 6,660,827 - \$304,887 - \$5,186,129 \$32,126,416
201 202 203 204 205 206 207 208 209 210 211 212 213 214 215	CURRENT LIABILITIES Incurred But Not Reported Claims (Disclose on Sch. A) Reported But Unpaid Claims Payable to ADHS (Disclose on Schedule A) Other Amounts Payable to Providers Trade Accounts Payable Accrued Salaries and Benefits Long-term Debt (current portion) Deferred Revenue (Disclose on Schedule A) Risk Pool Payable Other Current Liabilities (Disclose on Schedule A) Total Current Liabilities NON-CURRENT LIABILITIES Long-term debt (net of current portion) Loss Contingencies (Disclosed on Schedule A) Other Noncurrent Liabilities (Disclose on Schedule A) Total Noncurrent Liabilities	925,710 \$135,420 7,664,826 2,817,345 6,660,827 \$304,887 \$5,186,129 \$32,126,416
201 202 203 204 205 206 207 208 209 210 211 212 213 214 215	CURRENT LIABILITIES Incurred But Not Reported Claims (Disclose on Sch. A) Reported But Unpaid Claims Payable to ADHS (Disclose on Schedule A) Other Amounts Payable to Providers Trade Accounts Payable Accrued Salaries and Benefits Long-term Debt (current portion) Deferred Revenue (Disclose on Schedule A) Risk Pool Payable Other Current Liabilities (Disclose on Schedule A) Total Current Liabilities NON-CURRENT LIABILITIES Long-term debt (net of current portion) Loss Contingencies (Disclosed on Schedule A) Total Noncurrent Liabilities TOTAL LIABILITIES	925,710 \$135,420 7,664,826 2,817,345 6,660,827 - \$304,887 - \$5,186,129 \$32,126,416
201 202 203 204 205 206 207 208 209 210 211 212 213 214 215	CURRENT LIABILITIES Incurred But Not Reported Claims (Disclose on Sch. A) Reported But Unpaid Claims Payable to ADHS (Disclose on Schedule A) Other Amounts Payable to Providers Trade Accounts Payable Accrued Salaries and Benefits Long-term Debt (current portion) Deferred Revenue (Disclose on Schedule A) Risk Pool Payable Other Current Liabilities (Disclose on Schedule A) Total Current Liabilities NON-CURRENT LIABILITIES Long-term debt (net of current portion) Loss Contingencies (Disclosed on Schedule A) Total Noncurrent Liabilities TOTAL LIABILITIES NET ASSETS/EQUITY	925,710 \$135,420 7,664,826 2,817,345 6,660,827 \$304,887 \$5,186,129 \$32,126,416
201 202 203 204 205 206 207 208 209 210 211 212 213 214 215	CURRENT LIABILITIES Incurred But Not Reported Claims (Disclose on Sch. A) Reported But Unpaid Claims Payable to ADHS (Disclose on Schedule A) Other Amounts Payable to Providers Trade Accounts Payable Accrued Salaries and Benefits Long-term Debt (current portion) Deferred Revenue (Disclose on Schedule A) Risk Pool Payable Other Current Liabilities (Disclose on Schedule A) Total Current Liabilities NON-CURRENT LIABILITIES Long-term debt (net of current portion) Loss Contingencies (Disclosed on Schedule A) Total Noncurrent Liabilities TOTAL LIABILITIES NET ASSETS/EQUITY Unrestricted Net Assets	\$925,710 \$135,420 7,664,826 2,817,345 6,660,827 \$304,887 \$5,186,129 \$32,126,416 \$0 \$1,454,643 \$1,454,643 \$33,581,059 40,785,851
201 202 203 204 205 206 207 208 209 210 211 212 213 214 215	CURRENT LIABILITIES Incurred But Not Reported Claims (Disclose on Sch. A) Reported But Unpaid Claims Payable to ADHS (Disclose on Schedule A) Other Amounts Payable to Providers Trade Accounts Payable Accrued Salaries and Benefits Long-term Debt (current portion) Deferred Revenue (Disclose on Schedule A) Risk Pool Payable Other Current Liabilities (Disclose on Schedule A) Total Current Liabilities NON-CURRENT LIABILITIES Long-term debt (net of current portion) Loss Contingencies (Disclosed on Schedule A) Total Noncurrent Liabilities TOTAL LIABILITIES NET ASSETS/EQUITY	925,710 \$135,420 7,664,826 2,817,345 6,660,827 \$304,887 \$5,186,129 \$32,126,416
201 202 203 204 205 206 207 208 209 210 211 212 213 214 215	CURRENT LIABILITIES Incurred But Not Reported Claims (Disclose on Sch. A) Reported But Unpaid Claims Payable to ADHS (Disclose on Schedule A) Other Amounts Payable to Providers Trade Accounts Payable Accrued Salaries and Benefits Long-term Debt (current portion) Deferred Revenue (Disclose on Schedule A) Risk Pool Payable Other Current Liabilities (Disclose on Schedule A) Total Current Liabilities NON-CURRENT LIABILITIES Long-term debt (net of current portion) Loss Contingencies (Disclosed on Schedule A) Total Noncurrent Liabilities TOTAL LIABILITIES NET ASSETS/EQUITY Unrestricted Net Assets	\$925,710 \$135,420 7,664,826 2,817,345 6,660,827 \$304,887 \$5,186,129 \$32,126,416 \$0 \$1,454,643 \$1,454,643 \$33,581,059 40,785,851
201 202 203 204 205 206 207 208 209 210 211 212 213 214 215	CURRENT LIABILITIES Incurred But Not Reported Claims (Disclose on Sch. A) Reported But Unpaid Claims Payable to ADHS (Disclose on Schedule A) Other Amounts Payable to Providers Trade Accounts Payable Accrued Salaries and Benefits Long-term Debt (current portion) Deferred Revenue (Disclose on Schedule A) Risk Pool Payable Other Current Liabilities (Disclose on Schedule A) Total Current Liabilities NON-CURRENT LIABILITIES Long-term debt (net of current portion) Loss Contingencies (Disclosed on Schedule A) Total Noncurrent Liabilities TOTAL LIABILITIES NET ASSETS/EQUITY Unrestricted Net Assets	\$925,710 \$135,420 7,664,826 2,817,345 6,660,827 \$304,887 \$5,186,129 \$32,126,416 \$0 \$1,454,643 \$1,454,643 \$33,581,059 40,785,851

STATEMENT OF FINANCIAL POSITION

AS OF: March 31, 2006

Schedule A Disclosures

	Disclosures					
SSETS:				LIABILITIES:		
ash_				IBNR Claims Estimate		
	Unrestricted		48,690,119	Current Year FY 06		7,885,376
	Restricted		\$ -	Prior Year(s)		
				FY05		545,895
otal Cash			\$48,690,119	FY04 Total IBNR		\$8,431,271
ccounts Receiva	able	=				
ADHS	Program ID	Category ID		Payable to ADHS (Detail of Lin	<u>ie 203)</u> Category ID	
Current Year				Prior Year		-
	TXIX Child		31,110	NTXIX/XXI Child	Profit/Risk Corridor	2,500
	TXIX CMDP		-	Admin & Mgmt Ger	Sanctions	\$132,920
	TXIX SMI		367,338			
	HIFA II SMI		-			
	TXIX GMHSA		-			
	HIFA II GMH		-			
	TXIX DD Child		-			
	TXIX DD Adult		-			\$135,42
	TXXI Child		-			
	TXXI Adult		-	Total Payable to ADHS		
	NTXIX/XXI Child		28,471			
	NTXIX/XXI SMI		1,127,375	Deferred Revenue from: (Deta		
	Mental Health		(73,327)	Program ID	Category ID	-
	Substance Abuse		3,250,952	ADHS		
	Prevention Intervention		927,810	Current Year		¢204.00
	ADHS DOC		(456,632)	NTXIX/XXI Child		\$304,887
	PASRR HB2003 Child		10,800	Select Program		\$(\$(
	HB2003 SMI		-	Select Program Select Program		\$(
	NTXIX/XXI SMI	Community Placement	(0)	Select Program		Ψ
	Select Program	Identify category	(-)			
Prior Year	· ·	, ,		Prior Year		
	TXIX Child		-	Select Program		\$
	TXIX CMDP			Select Program		\$6
	TXIX SMI		-	Select Program	Identify Category	
	HIFA II SMI		-	Non-ADHS &/or Unrelated E	Business	
	TXIX GMHSA		-	Current Year		
	HIFA II GMH		-	Identify Program	Identify Category	
	TXIX DD Child		-	Identify Program	Identify Category	
	TXIX DD Adult		-	Prior Year		
	TXXI Child		-	Identify Program	Identify Category	
	TXXI Adult		-			
	NTXIX/XXI Child		-			
	NTXIX/XXI SMI		-			
	Mental Health Substance Abuse		-	Total Deferred Revenue		\$304,88
			-	Total Deferred Revenue		\$304,00
	Prevention Intervention ADHS DOC		-	Other Current Liabilities (Date	il of Line 240\	
	PASRR		-	Other Current Liabilities (Deta Identify Other Curre		
	HB2003 Child		_	Insurance	ant Liabilities	
	HB2003 SMI		_	Accrued audit fees		73,29
	Select Program	Identify category		Casa Buena Payab	le	749,950
	· - - 3 · - · · ·	,		Deferred Lease Lia		951,138
Non-ADHS &/o	r Unrelated Business			Due to affiliates	•	(346,066
Current Year				Income tax payable	to parent	531,20
	Employee receivables		2,649	Legal	•	, -
	RxInnovations		397,887	Malpractice Reserv	е	3,226,609
	Miscellaneous		-	Miscellaneous		
	Non-HB2003 provider re	eceivables and MMA receiv	2,644,667			
	THOIT TIBEOGO PIOTIGOT I					
	Rehabilitative Services	Administration	- 167,888 Page 1 of 2	Total Other Current Liabilities		\$5,186,129

	Case management receivable	10,051	Loss Contingencies (Detail of Line 213)	
	Casa Buena	-	Identify Loss Contingencies	
	Medicare receivable	93,704		
	Lab Receivables	13,643	Total Loss Contingencies	\$0
Prior Year			Other Noncurrent Liabilities (Detail of Line 214)	
	Employee receivables	-	Deferred lease credit - noncurrent	1,454,643
	RxInnovations	-	Deferred tax - noncurrent	-
	Miscellaneous	-		
	Non-HB2003 provider receivables	-	Total Other Noncurrent Liabilities	\$1,454,643
	Rehabilitative Services Administration	-		
	Accrued interest receivable	-		
	Case management receivable	-	Restricted Net Assets (Detail of Line 217)	
	Medicare receivable	-	Identify Restricted Net Assets	
	Lab Receivables	-		
			Total Restricted Net Assets	\$0
Allowance for	Doubtful Accounts			
Total Accounts	Receivable	8,544,386		
Other Current A	ssets (Detail of Line 106)			

2,190,479

\$2,190,479

Other Noncurrent Assets (Detail of Line 120)

Deferred tax asset

Deferred tax - noncurrent 605,554

Total Other Noncurrent Assets 605,554

PERFORMANCE BOND:

Total Other Current Assets

Type of Security & Amount - Surety Bond \$45,167,606

Merrill lynch LOC \$4,764,406

Adjustments:

Disclose and describe any adjustments made to previously submitted financial statements, including those that affect the current period financial statements.

Payables to ADHS - Other* Category

Disclose items recorded as "Other" in the category for Payable to ADHS Section

Explain ≥10% fluctuation in account from prior period

Describe fluctuation in each account greater than 10%

- 101. Cash decreased 14.5% due to increased claims payments and dividends declared and paid
- 103. Accounts receivable, net decreased 39.4% due to collections from the ADHS
- 105. Prepaid expenses increased 22.3% due to normal prepaid expense activity
- 106. Other current assets decreased 17.9% due to the calculation of income tax through December 2005
- 201. Incurred but not reported claims increased 32.0% due to rising OOH and outpatient fee-for-service costs related to childrens services and adult unmet need
- 202. Reported but unpaid claims decreased 37.6% due to normal claims processing activities and timings

STATEMENT OF CHANGES IN NET ASSETS / EQUITY

AS OF: March 31, 2006

Beginning Balance: * Net Surplus / Net Earning	July 1, 2005 g for the period ended:	March 31, 2006
Dividends Declared ** Prior Period Adjustments		
Ending Balance:	March 31, 2006	

^{*} Net of dividends declared

Initial Capital	Additional Capital	Net Assets / Retained Earnings	Total
36,491,707	-	2,408,314	38,900,021
-	-	8,679,837	8,679,837
	-	(7,500,000)	(7,500,000)
-	706,000	-	706,000
			-
\$ 36,491,707	\$ 706,000	\$ 3,588,151	\$ 40,785,858

^{**} Disclosure of Prior Period Adjustments
Parent put \$1,200,000 into capital in July 2005

*DISCLO	SE ON SCHEDULE A																							
		TXIX CHILD	TXIX CMDP	TXIX DD CHILD NT	TXIX/XXI CHII D	TXXI CHII D HR2	003 CHILD	TXIX SMI	TXIX DD ADULT	NTYIY/YYI SMI	HIFA II SMI	TXXI ADULT	HB2003 SMI	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN & MGMT/GEN	TOTAL
		TAIA CHILD	TAIA CINDI	TAIN DD GIILD IVI	TAIAVAAT CTIILD	TAXI CHILD HIDE	OUS CHIED	TAIA OIIII	TAIA DD ADOLT	INTAIN/ANT OINT	TIII A II OIIII	TAXIADOLI	TIDZ003 SIMI	TAIA GIIITIGA	THI A II OMIT	IILALIII	ADOOL	INTERVERTION	TAORIC	ADIIO DOC	OTTLER	JOB TOTAL	MOM 1/OLIV	TOTAL
REVEN 401	UES Revenue Under ADHS Contract																							
401 a	ADHS Revenue	55,036,204	30,936,780	4,514,150	5,580,626	3,883,766	0	160,682,515	3,528,220	60,366,852	1,870,777	151,525	0	56,331,831	655,350	1,650,620	17,421,894	4,497,196	46,200	1,450,304	0	408,604,809	0	408,604,809
402	ADHS Revenue - Qualifying Incentive Payments Specialty & Other Grants*	658,917 0	325,419 0	0	0	41,291 0	0	1,726,132	33,576 0 0	0	19,679	1,702	0	680,759 0	7,768 0	0 0 97	0 0 37	0	0	0	0	3,544,491 0	0	3,544,491 0
403 404	Client Fees (Co-pays) Third Party Recoveries	0	0	0	0	Ü	0	2,098	0	2,386	0	0	0	23	0	97	37	U	0	0	0	4,641	0	4,641
a h	Medicare Other Insurance	0	0	0	0	0	0	282,777 18.557	0	205,896 18.712	0	0	0	1,896	0	7,733 1,157	599 154	0	0	0	0	498,900 38,580	0	498,900 38,580
405 406	Interest Income	0	0	0	0	0	0	,	0	,	0	0	0	0	0	.,		0	0		80.524	0 80.524	1,552,569	1,552,569 80,524
407	Other Funding Sources - Non ADHS* Urrelated Business Activities*	0	0	0	0	0	0	0	0	0	0	ō	0	0	0	0	0	0	0	0	0	0	0	0
408	TOTAL REVENUE	55,695,121	31,262,199	4,563,398	5,580,626	3,925,057	0	162,712,078	3,561,797	60,593,845	1,890,456	153,227	- 0	57,014,509	663,118	1,659,607	17,422,684	4,497,196	46,200	1,450,304	80,524	412,771,945	1,552,569	414,324,514
EXPEN Service																								
501	Treatment Services																							
	Counseling Counseling, Individual	8.234.533	2.250.981	345.817	601.742	695.654	0	4.614.554	130.523	2.267.865	75.095	12.573	0	6.179.398	78.336	216,479	1,188,655	0	0	0	0	26.892.205	0	26.892.205
	Counseling, Family Counseling, Group	5,080,509 464,086	1,111,661	263,078 8,743	278,568	433,856 56,227	0	501,056 758,783	15,345 10,444	349,958 378,233	11,830	1,853 1,489	0	306,446 3,056,123	8,891	20,725 91,399	9,475 932.160	0	0	0	0	8,393,252	0	8,393,252
b	Consultation, Assessment & Specialized Testing	3,811,922	71,625 463,077	197,954	66,249 127,472	307,725	0	1,743,914	62,696	1,133,316	10,902 8,474	8,342	0	4,571,435	17,266 43,416	833,009	820,811	0	0	0	0	5,923,729 14,133,563	0	5,923,729 14,133,563
c d	Other Professional Total Treatment Services	75,051 17,666,101	3,897,790	0 815,592	477,997 1,552,027	3,064 1,496,526	0	1,176 7,619,482	219,008	1,149,065 5,278,438	106,301	0 24,257	0	62 14,113,464	0 147,910	164,984 1,326,597	939,521 3,890,621	0	0	0	0	2,811,366 58,154,115	0	2,811,366 58,154,115
502	Rehabilitation Services						-						-						·	•	-		-	
a b	Living Skills Training Cognitive Rehabilitation	3,861,177 0	1,334,406 0	319,752 0	222,653 0	225,784 0	0	6,099,857 0	178,606 0	2,229,452 0	39,343 0	325 0	0	459,089 0	8,359 0	12,548 0	23,189 0	0	0	0	0	15,014,539 0	0	15,014,539 0
c d	Health Promotion Supported Employment Services	124,685 6.796	29,079 7,725	10,372	2,754 3,747	7,592 50	0	382,826 2.840,520	22,769 409.319	150,721 1,284,413	2,193 97.011	0 312	0	83,279 604,566	297 5,431	2,066 2,416	5,073 11,070	0	0	0	0	823,706 5,273,407	0	823,706 5,273,407
e	Total Rehabilitation Services	3,992,658	1,371,210	330,155	229,154	233,426	0	9,323,203	610,695	3,664,586	138,546	637	0	1,146,934	14,086	17,029	39,332	0	0	0	0	21,111,652	0	21,111,652
503 a	Medical Services Medication Services	1,240	0	0	0	0	0	623,907	34,085	224,281	2,893	0	n	2,094,065	2,901	16,303	668,200	0	n	n	n	3,667,875	0	3,667,875
b	Medical Management	2,195,456	226,368	269,887	105,061	192,732	0	8,684,329	374,024	4,973,313	59,523	11,888	0	2,839,448	55,639	128,758	92,051	0	0	0	0	20,208,477	0	20,208,477
d d	Laboratory, Radiology & Medical Imagin Electro-Convulsive Therapy	46,508 15,776	6,395 0	4,828 0	1,969 0	3,517 171	0	349,785 107,986	16,429 0	234,469 93,193	1,996 0	397 0	0	182,481 14,617	2,116 0	11,054 0	17,865 362	0	0	0	0	879,810 232,105	0	879,810 232,105
е	Total Medical Services	2,258,980	232,763	274,714	107,030	196,420	0	9,766,007	424,538	5,525,257	64,412	12,284	0	5,130,611	60,656	156,115	778,478	0	0	0	0	24,988,267	0	24,988,267
504 a	Support Services Case Management	148,913	66,280	12,113	15,659	3,355	0	47,175,024	640,081	21,551,359	753,406	24,361	0	4,843,489	117,147	1,426,810	478,137	0	0	0	0	77,256,134	0	77,256,134
b	Personal Assistance Family Support	1,485,687 3.472.946	456,118 749,903	413,843 330.875	197,117 136.895	55,456 157,313	0	7,335,848 19.920	160,209 114	2,125,943 7.022	5,739 79	0	0	575,504 10.338	114 0	0 104	57,861 1,283	0	0	0	0	12,869,438 4.886,791	0	12,869,438 4.886,791
d	Peer Support Therapeutic Foster Care Services	305,299 1.844,452	136,603 4,928,244	21,629 84,827	37,341 73,204	18,746 7,951	0	1,171,542 224,639	34,418	398,480 63,609	8,035	361	0	346,250	1,082	12,427	70,318	0	0	0	0	2,562,531 7,226,926	0	2,562,531 7,226,926
f	Respite Care	2,226,780	387,274	101,490	42,243	71,913	0	232	0	199	0	0	0	3,356	0	9	0	0	0	0	0	2,833,495	0	2,833,495
g h	Housing Support Interpreter Services	0	0	0	0 95,190	0	0	0	0	1,876,409 30,455	0	0	0	0	0	29,622 54,866	340,335 7,120	0	0	0	0	2,246,367 187,630	0	2,246,367 187,630
- !	Flex Fund Services Transportation	0 792,419	0 148,511	0 19,773	571,916	0 45,102	0	0 2.286.710	0 103,879	657,365 873,197	0 9,249	0 559	0	0 1,052,885	0 3,470	30,931 109,516	112,020 112,738	0	0	0	0	1,372,233 5.607.051	0	1,372,233 5.607.051
k	Block Purchase NTXIX Consumer Drop In Cente	0	0	0	49,043 0	0	0	1,087,047	0	334,614	0	0	0	0	0	0	0	0	0	0	0	1,421,661	0	1,421,661
505	Total Support Services Crisis Intervention Services	10,276,495	6,872,934	984,550	1,218,609	359,835	0	59,300,962	938,701	27,918,651	776,507	25,280	0	6,831,821	121,813	1,664,285	1,179,813	0	0	0	0	118,470,257	0	118,470,257
а	Crisis Intervention - Mobile	1,055,052	378,477	228,349	569,054	65,956	0	1,535,303	219,018	563,001	16,846	3,302	0	1,758,888	8,516	1,129,018	251,086	0	0	0	0	7,781,865	0	7,781,865
b c	Crisis Services Crisis Phones	283,916 7,222	44,825 2,736	28,838 557	35,519 750	28,708 190	0	1,133,764 2,335,287	33,659 30,857	387,012 1,069,354	2,813 0	2,477 1,168	0	2,833,708 245,596	6,039 0	576,850 72,742	1,202,804 23,312	0	0	0	0	6,600,931 3,789,770	0	6,600,931 3,789,770
d	Total Crisis Intervention Services	1,346,190	426,038	257,744	605,322	94,854	0	5,004,353	283,534	2,019,367	19,659	6,947	0	4,838,191	14,555	1,778,610	1,477,202	0	0	0	0	18,172,566	0	18,172,566
506 a	Inpatient Services Hospital																							
	Psychiatric (Provider Types 02 & 71 Detoxification (Provider Types 02 & 71	2,936,707 0	763,619 0	256,677 0	42,636 0	179,617 0	0	9,453,839 81,908	266,736 0	5,146,217 30,275	40,197 0	433 0	0	3,378,980 102,677	18,475 0	925,694 0	118,010 1,099	0	0	0	0	23,527,837 215,960	0	23,527,837 215,960
b	Sub acute Facility Psychiatric (Provider Types B5 & B6	160,023	70,064	53,277	0	0	0	5,525	0	n	n	0	0	3,340	0	691	0	0	0	0	0	292,920	0	292,920
	Detoxification (Provider Types B5 & B6)	0	0	0	ő	0	0	73,380	0	27,653	70	0	0	973,052	2,512	23,738	473,402	0	0	0	0	1,573,808	0	1,573,808
С	Residential Treatment Center (RTC) Psychiatric - Secure & Non-Secure Provider Types																							
	78,B1,B2,B3) Detoxification - Secure & Non-Secure (Provider Types	4,597,710	2,958,424	0	89,297	119,023	0	2,005,995	8,614	806,325	5,036	0	0	370,216	150	134,064	23,549	0	0	0	0	11,118,403	0	11,118,403
d :	(78,B1,B2,B3) Inpatient Services, Professional	0 286,784	120 75,445	0 27,000	0 20,248	0 21,527	0	0 405,745	0 12,459	0 164,715	0 1,767	0 357	0	0 350,497	0 1,314	0 187,071	0 22,073	0	0	0	0	120 1,577,002	0	120 1,577,002
e	Total Inpatient Services, Professional	7,981,224	3,867,673	336,954	152,180	320,166	0	12,026,393	287,810	6,175,185	47,071	791	0	5,178,763	1,314 22,450	1,271,258	638,133	0	0	0	0	38,306,050	0	38,306,050
507	Residential Services	4 700 000	2.054.040	44.000	40.450	50 404	•	7 404 477	40.044	9 470 000	000	4.400		4 004 000	440	20.050	004.40=					10 004 771	c	40 004 774
a b	Level II Behavioral Health Residential Facilitie Level III Behavioral Health Residential Facilitie	1,790,838 130,161	2,354,310 424,472	44,336 0	16,156 0	58,464 0	0	7,404,174 1,628,938	46,811 0	2,173,330 275,959	896 0	1,126 0	0	4,221,936 19,978	140 0	28,059 0	684,195 0	0	0	0	0	18,824,771 2,479,508	0	18,824,771 2,479,508
c d	Room and Board Total Residential Services	1,920,998	2,778,782	0 44,336	473,099 489,255	0 58,464	0	9,033,112	0 46,811	1,144,949 3,594,238	0 896	0 1,126	0	0 4,241,915	140	88,937 116,996	867,590 1,551,785	0	0	0	0	2,574,575 23,878,854	0	2,574,575 23,878,854
508	Behavioral Health Day Program	,,				,						, ,		, , , .			,,					-,-		
a b	Supervised Day Program Therapeutic Day Program	320,833 1,651,549	16,905 252,688	5,579 2,500	20,634 111,060	30,549 114,721	0	918,124 1,485,139	11,128 31,040	402,694 598,521	4,217 8.578	0 1,581	0	61,997 2,344,819	0 11.083	954 72,538	2,130 1,121,551	0	0	0	0	1,795,743 7,807,368	0	1,795,743 7,807,368
c	Medical Day Program Total Behavioral Health Day Program	7,897	533	1,545	0	492	0	2 402 270	0	0	12.795	1,581	0	0	11.083	0	0	0	0	0	0	10,476 9,613,587	0	10,476
509	Prevention Services	1,980,279	270,125	9,624	131,694	145,762	U	2,403,270	42,168	1,001,215	12,795	1,001	0	2,406,816	11,083	73,492	1,123,681	U	U	0	U	9,013,387	U	9,613,587
a	Prevention	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3,735,440	0	0	0	3,735,440	0	3,735,440
b c	HIV Total Prevention Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	620,100 620,100	3,735,440	0	0	0	620,100 4,355,540	0	620,100 4,355,540
	Medication				e	045	_	49.0		40.6== -:	,			40.6		,,								E4 =0- :
a b	Medication Expense Less Pharmacy Rebate Received	7,287,610 (684,633)	848,274 (24,477)		67,508 (5,676)	815,607 (65,271)	0	17,999,290 (1,049,652)	2,716,968 (94,004)	12,670,219 (872,641)	367,077 (33,345)	48,643 0	0	10,202,866 (670,444)	605,038 0	(400,841) (10,642)	55,798 (3,547)	0	0	0	0	54,709,497 (3,547,321)	0	54,709,497 (3,547,321)
c d	Pharmacy Rebate Related Expense Total Medication Services	281,041 6,884,018	10,048 833,845	13,542 1,405,994	2,330 64,162	26,794 777,130	0	430,882 17,380,519	38,589 2,661,553	358,219 12,155,796	13,688 347,420	0 48,643	0	275,217 9,807,639	605,038	4,369 (407,115)	1,456 53,707	0	0	0	0	1,456,173 52,618,349	0	1,456,173 52,618,349
511	Other ADHS Service Expenses Not Rpt'd Above*	0	0	0	0	0	0	0	_,501,000	0	0	0	0	0	003,030	0	0	0	42,735	0	0	42,735	0	42,735
512	ADHS/DOC COOL	54,306,943	20,551,160	4,459,663	4,549,433	3,682,583	0	131,857,301	5,514,818	67,332,733	1,513,607	121,546	0	53,696,154	997,731	0 5,997,267	11,352,852	3,735,440	0 42,735	1,417,674	0	1,417,674 371,129,646	0	1,417,674 371,129,646
513 520	Subtotal ADHS Service Expenses Service Expenses from Non ADHS Sources*																					0		0
525	Total Service Expense	54,306,943	20,551,160	4,459,663	4,549,433	3,682,583	0	131,857,301	5,514,818	67,332,733	1,513,607	121,546	0	53,696,154	997,731	5,997,267	11,352,852	3,735,440	42,735	1,417,674	0	371,129,646	0	371,129,646

March 31, 2006

*DISCLOSE ON SCHEDULE A

*DISCL	OSE ON SCHEDULE A																							
		TXIX CHILD	TXIX CMDP	TXIX DD CHILD N	TXIX/XXI CHILD	TXXI CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXXI ADULT	HB2003 SMI	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN & MGMT/GEN	TOTAL
Admin	strative Expenses:																							
601	Salaries	1,171,489	657,992	95,998	119,279	82,524	0	3,420,796	59,936	1,284,012	39,773	3,219	0	1,214,336	13,933	35,121	370,672	95,677	1,075	31,387	0	8,697,219		8,697,219
602	Employee Benefits	333,197	187,147	27,304	33,925	23,472	0	972,949	17,047	365,201	11,312	915	0	345,384	3,963	9,989	105,427	27,213	306	8,927	0	2,473,678		2,473,678
603	Professional & Outside Services	339,312	190,582	27,805	34,548	23,902	0	990,806	17,360	371,904	11,520	932	0	351,722	4,036	10,173	107,362	27,712	311	9,091	0	2,519,079		2,519,079
604	Travel	19,462	10,931	1,595	1,982	1,371	0	56,829	996	21,331	661	53	0	20,173	231	583	6,158	1,589	18	521	0	144,485		144,485
605	Occupancy	61,707	34,659	5,057	6,283	4,347	0	180,188	3,157	67,634	2,095	170	0	63,964	734	1,850	19,525	5,040	57	1,653	0	458,120		458,120
606	Depreciation	282,445	158,641	23,145	28,758	19,896	0	824,751	14,451	309,574	9,589	776	0	292,775	3,359	8,468	89,369	23,068	259	7,567	0	2,096,891		2,096,891
607	All Other Operating*	1,569,602	881,601	128,621	159,814	110,569	0	4,583,303	80,305	1,720,364	53,290	4,312	0	1,627,010	18,668	47,057	496,640	128,192	1,440	42,054	0	11,652,840		11,652,840
608	Subtotal ADHS Administrative Expenses	3,777,215	2,121,553	309,524	384,589	266,081	0	11,029,621	193,251	4,140,020	128,241	10,378	0	3,915,364	44,924	113,241	1,195,153	308,491	3,465	101,201	0	28,042,312	0	28,042,312
650 651	Non ADHS Administrative Expenses* Unrelated Admin, Expense*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	543,398	543,398
																						0		
652	Subtotal Administrative Expense	3,777,215	2,121,553	309,524	384,589	266,081	0	11,029,621	193,251	4,140,020	128,241	10,378	0	3,915,364	44,924	113,241	1,195,153	308,491	3,465	101,201	0	28,042,312	543,398	28,585,710
701	Unrelated Business Expenses*																					0		0
790	Income Tax Provisions																							
a	ADHS Income Tax Provision	(1,213,422)	3,365,755	(101,745)	262,433	(24,859)	0	7,295,372	(883,517)	(4,499,341)	93,619	8,016	0	(494,895)	(156,915)	(1,809,784)	1,978,163	183,964	0	(27,831)	0	3,975,013	0	3,975,013
b	Non ADHS Income Tax Provision	243,799	120,405	18,222	0	15,278	0	750,938	12,423	83,987	7,281	630	0	252,591	2,874	3,325	292	0	0	0	32,682	1,544,728	409,580	1,954,308
799	Subtotal Income Tax Provision	(969,623)	3,486,160	(83,523)	262,433	(9,581)	0	8,046,310	(871,094)	(4,415,354)	100,900	8,646	0	(242,305)	(154,041)	(1,806,459)	1,978,455	183,964	0	(27,831)	32,682	5,519,741	409,580	5,929,321
800	TOTAL EXPENSES	57,114,535	26,158,873	4,685,664	5,196,455	3,939,083	0	150,933,232	4,836,975	67,057,399	1,742,748	140,570	0	57,369,213	888,614	4,304,049	14,526,460	4,227,895	46,200	1,491,044	32,682	404,691,699	952,978	405,644,677
801	INC/(DEC) IN NET ASSETS/EQUITY	(1,419,414)	5,103,326	(122,266)	384.171	(14.026)	0	11,778,846	(1,275,178)	(6,463,554)	147.708	12.657	0	(354,704)	(225,496)	(2,644,442)	2,896,224	269.301	0	(40,740)	47,842	8,080,246	599,591	8,679,837
501		(1,415,414)	5,105,520	(122,200)	504,171	(14,020)		. 1,770,040	(1,213,110)	(0,400,004)	147,700	12,007	0	(304,704)	(223,480)	(2,544,442)	2,000,224	203,301	0	(40,740)	47,042	5,000,240	333,331	0,078,007

*Disclose on Schedule A

VOMarch31,2006: Stmnt Activities Page 2 of 2 5/26/2006 [10:22 AM]

Schedule A Disclosure																							
	TXIX CHILD	TXIX CMDP TX		NTXIX/XXI CHILD	TXXI CHILD HB2	2003 CHII D	TVIV CMI TVI	V DD ADIII T N	TVIV/VVI CMI L	JIEA II CMI T	VVI ADIII T UD	2002 SMI T	VIV CMUCA U		MENTAL S HEALTH		PREVENTION NTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN/MGMT/ GEN	TOTAL
DISCLOSURE OF OTHER ADHS REVENUE	TAIA CHIED	TAIX CHIDE TA	IX DD CHILD	CHILD	TAXI CHILD HB2	OUS CHILD	TAIA SMI TAIA	K DD ADOLT N	TAINAN SWILL	TIPA II SWII 17	KKI ADULT HE	2003 SWI 1	AIX GWITGA T	IIFA II GWIII	HEALTH	ABUSE	NTERVENTION	FASIN	ADH3 DOC	OTHER	\$0 \$0 \$0	GEN	\$0 \$0
Total Other - Other Column																				\$0	\$0 \$0		\$0 \$0
DISCLOSURE OF OTHER GRANTS REPORTED ON LINE 402 Itemization of Items Reported on Line 402																					0		0
Total Other Grants =	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DISCLOSURE OF OTHER REVENUE REPORTED ON LINE 406 Itemization of Items Reported on Line 406 Lab Revenue Miscellaneous Total Other Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	38,590 41,934 80,524	38,590 41,934 80,524	0	38,590 41,934 80,524
UNRELATED BUSINESS ACTIVITIES REPORTED ON LINE 407 Itemization of Items Reported on Line 407																					0		0
Total Unrelated Business Activities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DISCLOSURE OF ALL OTHER BEHAVIORAL HEALTH SERVICES ON LINE 511 Itemization of Items Reported on Line 511 HB2003 Children and Adult services PASARR Total All Other Behavioral Health Services	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 42,735 42,735	0 0 0	0 0 0	0 42,735 42,735	0	0 42,735 42,735
DISCLOSURE OF SERVICES EXPENSES FROM NON ADHS SOURCES ON LINE 520 Itemization of Items Reported on Line 520																					0		0
Total Service Expenses Non-ADHS Sources	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DISCLOSURE OF ALL OTHER OPERATING ON LINE 607 Itemization of Items Reported on Line 607 Maintenance Contracts Supplies Phone Licenses & Taxes Insurance Training Postage Other Sanctions & penalties expense Net Allocation In	0 42,371 93,199 2,758 (109,825) 30,561 12,146 0 (4,214)	0 23,799 52,347 1,549 (61,686) 17,166 6,822 0 (2,367) 843,971	0 3,472 7,637 226 (9,000) 2,504 995 0 (345) 123,131	0 4,314 9,489 281 (11,182) 3,112 1,237 0 (429) 152,993	0 2,985 6,565 194 (7,737) 2,153 856 0 (297) 105,849	0 0 0 0 0 0 0	0 123,725 272,144 8,055 (320,695) 89,241 35,468 0 (12,305) 4,387,670	0 2,168 4,768 141 (5,619) 1,564 621 0 (216) 76,877	0 46,441 102,151 3,023 (120,374) 33,497 13,313 0 (4,619) 1,646,933	0 1,439 3,164 94 (3,729) 1,038 412 0 (143) 51,015	0 116 256 8 (302) 84 33 0 (12) 4,128	0 0 0 0 0 0 0	0 43,921 96,608 2,859 (113,842) 31,679 12,591 0 (4,368) 1,557,563	0 504 1,108 33 (1,306) 363 144 0 (50) 17,871	0 1,270 2,794 83 (3,293) 916 364 0 (126) 45,048	0 13,407 29,489 873 (34,750) 9,670 3,843 0 (1,333) 475,441	0 3,461 7,612 225 (8,970) 2,496 992 0 (344) 122,720	0 39 85 3 (101) 28 11 0 (4)	0 1,135 2,497 74 (2,943) 819 325 0 (113) 40,259	0 0 0 0 0 0	0 314,566 691,915 20,479 (815,352) 226,891 90,175 0 (31,286) 11,155,453		0 314,566 691,915 20,479 (815,352) 226,891 90,175 0(31,286) 11,155,453
Total All Other Operating	1,569,602	881,601	128,621	159,814	110,569	0	4,583,303	80,305	1,720,364	53,290	4,312	0	1,627,010	18,668	47,057	496,640	128,192	1,440	42,054	0	0 11,652,840	0	0 11,652,840
DISCLOSURE OF NON-ADHS ADMINISTRATIVE EXPENSES ON LINE 650 Iternization of Items Reported on Line 650 Investment income administration																					0	543,398	543,398
Total Non-ADHS Admin. Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	543,398	0 543,398
DISCLOSURE OF UNRELATED ADMINISTRATIVE EXPENSES ON LINE 651 Itemization of Items Reported on Line 651																					0		0
Total Unrelated Administrative Expenses =	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DISCLOSURE OF UNRELATED BUSINESS EXPENSES LINE 701 Itemization of Items Reported on Line 701																							
Total Unrelated Business Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0 0	0	0 0 0
		-		-		-			-				-								*		

March 31, 2006

																				INCONAM	
			NTXIX/XXI										MENTAL	SUBSTANCE	PREVENTION					ADMIN/MGMT/	
TXIX CHILD	TXIX CMDP	TXIX DD CHILD	CHILD	TXXI CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT NTXIX/XXI SMI	HIFA II SMI	TXXI ADULT	HB2003 SMI	TXIX GMHSA	HIFA II GMH	HEALTH	ABUSE	INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	GEN	TOTAL

ADJUSTMENTS

(Disclose and describe any adjustments to previously submitted financial statements including those that affect the current financial statements)

Analysis:

- (Compare prior quarter activity to current quarter activity for each column [program] and each row major category of service.)

 1. A correction was made to the Title XIX DD Child fund source. During the month of March 2006, it was determined that voice convoicer contracts had this fund source explicitly listed and, in addition, services expense was being allocated from Title XIX Child based on claims data. The solution selected was to ammend contracts, adding back contract allocations from Title XIX DD Child to Title XIX CA and relying on clais based allocation methodologies through the end of \$FY2006. The net effect of the transaction was to reduce Title XIX DD Child by just over \$2.2M and increase Title XIX Child by the same amount.
- 2. Inpatient and residential services are increasing throughout the system. This is especially evident in the adult system at Maricopa Medical Center. Children's services continue to increase, but is focused more in increasing RTC and Level I & Level II facilities. There are particular pressures coming from services focusing on treating aggressive sexual behaviors and eating disorders. Finally, therapeutic foster care services are increasing and are contributing to cost overruns in the Childrens service areas. The total childrens system's fee-for-service overruns could be in the \$4.5M to \$6.5M range by year-end.
- 3. Non-Title XIX Substance Abuse has increased over the prior quarter due to increased utilization of co-located services and the beginning of the methamphetamine initiative. Substance abuse treatment services continue to increase, both as a result of co-occuring disorders and increasing enrollment at VO.
- 4. Medical Services and Behavioral Day Programs have increased back to their first quarter levels. This suggests a certain cyclical coponent to these services. Also, as more needs are met through contract adjustments or spot purchases, many of these services serve to support adults and children needing intensive services in the community. This can be particularly true of medication monitoring and day programs.
- ADOC/COOL services have increased due to additional contract awards during the quarter for services.
- 6. Medications are down due to MMA being implemented January 1, 2006. The net reduction for the first quarter was approximately \$4M. Expectedly, MMA had no impact on the contining pressures on medications in the childrens services system. Childrens medications costs continue to increase at an average rate inexcess of 20% per year.

 7. The recoupment of excess profit, deferred revenues, and under-encountered services has caused many fund sources to reflect declines as compared to what would have been the expense. A notable example is Non-Title XIX Child. The recoupment
- caused excess profits in this fund source and, as a result, generated deferred revenue. These reductions in expense will be eliminated as dollars flow back to the provider community. In the case of the adults, these dollars will flow back to a combination of block and fee-for-service providers, while in the case of childrens services, the substantial costs overruns in fee-for-services providers will absorb most of these dollars.

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STATEMENT OF CASH FLOWS YEAR TO DATE FOR PERIOD ENDED:

March 31, 2006

CASH FLOWS FROM OPERATING ACTIVITIES: Changes in Net Assets Adjustments to Reconcile Excess of Revenue Over/(Under) Expenses to	8,679,837
Net Cash Provided (Used) by Operating Activities: Depreciation and Amortization Changes in Operating Assets and Liabilities (Increases)/Decreases in Assets:	446,908
Current Investments Receivables Inventory & Prepaid Expenses Interest Receivable Deposits Other Increases/(Decreases) in Liabilities:	(4,502,977) (2,066,367) (146,731) 21,197 (126,817)
IBNR RBUC Accounts Payable to ADHS Accounts Payable to Providers Interest Payable	1,821,114 213,559 (1,608,218) 1,060,990
Trade Accounts Payable Accrued Salaries & Benefits Other Current Liabilities NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(801,603) 539,817 (2,337,975) 1,192,733
CASH FLOWS FROM INVESTING ACTIVITIES Proceeds from Sale of Property & Equipment Purchases of Property & Equipment Proceeds from Sales of Investments Purchase of Investments	(4,315,895) - -
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(4,315,895)
CASH FLOWS FROM FINANCING ACTIVITIES: Acquisition of Debt (Describe on Schedule A) Payment of Lease Obligations Payment of Other Debts (Describe on Schedule A)	706,000 - (7,500,000)
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	(6,794,000)
NET INCREASE/(DECREASE) IN CASH BEGINNING CASH ENDING CASH BALANCE *	(9,917,162) 58,607,281 48,690,119

VO
STATEMENT OF CASH FLOWS
YEAR TO DATE FOR PERIOD ENDED: March 31, 2006
Schedule A Disclosure

Describe:

1. Sources and amounts of cash received for other grants.

- Underlying transactions for acquisition of debt.
 (Debtor, amount, purpose of loan, term, interest rate of debt acquired during the quarter.)
 Capital infusion from parent company
 706,000
- 3. Underlying transactions for retirement of debt. (Debtor, amount paid off.)
- 4. Cash Flows From Financing Activities Payment of Other Debt

 Dividends declared and paid 7,500,000
- 5. Supplemental data or non-cash investing and financing activities, gifts, etc.